

Ecommerce Redesign Study 2016

How Data-Driven Are We?

In a world where digital products can be iteratively changed and continuously optimized, it's still commonplace for organizations to undertake disruptive full site or product redesign projects in shorter, specific time boxes. These projects are generally incredibly resource intensive and carry a high degree of risk and reward.

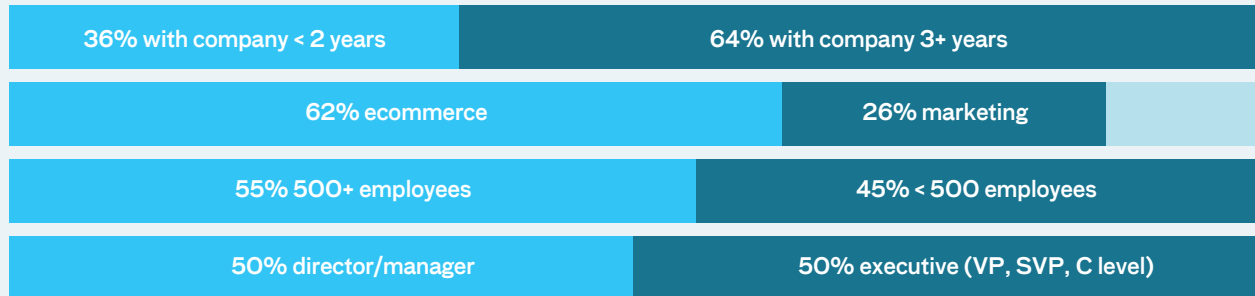
While so much about digital consumer and business behavior has changed in the last 20 years, it seems that the redesign, as a project and practice, has survived significantly intact for many businesses. With investments this sizable, we wanted to gain clarity on the ecommerce website redesign process including the motivations for their undertaking, the extent to which data is injected into the process, how success is defined and measured and the problem patterns that frequently emerge.

Clearhead, an award-winning digital optimization company, frequently partners with leading ecommerce brands to create better customer experiences through testing and personalization driven by data. With that in mind, we decided to go straight to the source. We connected with over 200 ecommerce leaders who have been through multiple redesigns in their careers to better understand how redesigns are contemplated and executed today.

We conducted both a survey and in-depth interviews, setting out to answer some key questions:

- 1 How are redesigns typically defined?
- 2 What are the best reasons to initiate a site redesign?
- 3 What is actually driving redesigns?
- 4 How is data used in preparation for a redesign?
- 5 What capabilities are most critical and lacking in executing a redesign?
- 6 What was the confidence going into a redesign?
- 7 What were the measures of success?
- 8 What were the results of the redesign?
- 9 Where do executives versus managers differ on these questions?

we talked to 203 participants



special thanks to:

Brad Brown, REI

David Cost, Rainbow Apparel

Shawn Freeman, Formerly of Ralph Lauren and GameStop

Stephanie Lambert, Formerly of Express

Mike Molitor, Kohl's

Steven Brita, WWE

Richard Milliron, Artsana Group

Todd Ames, adidas

Matt Kritzer, Tommy John

Key Findings

finding #1

What changes need to happen for it to be considered a redesign? UX, UI and features.

| Which of the following needs to change substantially to be considered a redesign? | executives | managers | all |
|-----------------------------------------------------------------------------------|------------|----------|-----|
| UX/UI | 90% | 87% | 86% |
| Features & Functionality | 79% | 71% | 69% |
| Graphic Design | 50% | 53% | 51% |
| Information Architecture | 48% | 33% | 39% |
| Platform | 38% | 29% | 29% |
| Branding | 31% | 15% | 23% |



86% of execs and managers believe UX/UI needs to change for a project to be considered a redesign



69% believe features/functionality should change

Further only 30% believe the platform needs to change, despite this being a leading reason to do a redesign. More on that later...

finding #2

Redesigns can be iterative, but most are still “big reveals”.

56% would not consider iterative changes to the site over a 1-2 year period a “redesign”.

The idea of a redesign as a “big bang” reveal is still common, especially for brands versus retailers.



big bang method

56%

believe that iterative changes to a site over 1-2 years is not considered a redesign.

“When replatforming went live, nothing went live as A/B test. There were assumptions made and it was one design. Big bang. It was a new platform and design.”

- Todd Ames, Senior Manager Digital Innovation, adidas

On the other hand, 44% would consider iterative changes over a period to be a redesign. While redesigns have typically been considered a “change the business” initiative, lines are blurring with “run the business”. Interviews suggest the trend may be heading towards iterative redesigns by folks who have experienced big-bang redesigns in the past.

“I think companies that are grounded in metrics almost universally select the iterative approach. Companies that are more oriented toward brand are much more comfortable with a completely new reveal because it generates more PR.”

- **Steven Brita, SVP Marketing, WWE**

“I wouldn’t want to go through a whole-scale redesign ever again (unless there’s a merger). You should always be iterating and optimizing.”

- **Todd Ames, Senior Manager Digital Innovation, adidas**

“We did a big bang redesign, all at once. We had to do big bang because of the big reveal of our new brand identity. But we don’t know what things we did right or wrong. Going forward I’d advocate for an iterative approach.”

- **Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John**

“With every new redesign or replatform project, I’m increasingly convinced that a big bang approach is a bad idea. By definition, the bigger the scope the more likely you are to get something wrong. And it makes it hard to know what went right and what went wrong. So many things can affect conversion. If you change 15 variables how do you know what caused the negative (or positive) impact.”

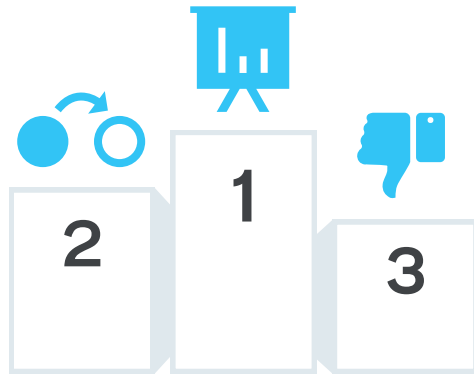
- **Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop**

“In my opinion you’re never done with a redesign. I never consider it being over. We constantly go back and tweak.”

- **David Cost, VP Ecommerce and Digital Marketing, Rainbow Apparel**

finding #3

Best reason to initiate a redesign? Disruptive change.



Respondents were able to select from many reasons as the “best reasons” to start a redesign. The most popular reasons (selected by 60% or greater respondents) were:

- 1 Change in market/customer behavior
- 2 Moving to a new platform
- 3 Negative feedback from customers

A surprisingly low number of respondents (54%) selected need to increase sales or profitability as a best reason for a redesign.

finding #4

Worst reason for redesign: **Executive desire for a change. However...**

While respondents selected many reasons to start a redesign, including a change in platform, negative feedback, change in business model, or the need to increase sales, only 6% of respondents selected “Executive Desire for a Change” as the best reason for a redesign. With executives comprising 50% of our respondent pool, this carries quite some weight.

However, 20% reported that “Executive Desire for a Change” was the actual reason for their last redesign.



finding #3

Why did we actually do a redesign? The site was “stale”.

It's one thing to suggest the best reasons to do a redesign. But what were the real reasons your last redesign got started?

The #1 reason people selected as the biggest driver of their last site redesign: “The site has become stale”.



stale site?

43%

claimed the biggest driver for a site redesign was that “the site has become stale”.

Based on interview feedback the basis for redesign got into higher fidelity related to new branding and mobile responsiveness:

“Last year we did a Tommy John redesign. The focus of the redesign was to give a new look and feel with the new brand.”

- Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John

“I wish I could say there was data that supported our decision to redesign. When I joined the company, one of my first hires was a UX designer. We decided from a heuristic standpoint that there were a lot of problems with the site and that led to the decision to redesign. A lot of people redesign because they perceive other sites have features or capabilities they don't. They look at their competitive set and assume that they are not performing as well. But you don't really know.”

- Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop

“The overall trend was that most traffic growth was coming from mobile. Generally it is by far the majority of the traffic growth and conversion is lower. Most of the business was thinking it would be possible to get mobile conversion to same height. We don’t see that. The numbers were clear to make a better experience. Hybris had an out of box mobile experience.”

- **Todd Ames, Senior Manager Digital Innovation, adidas**

“We started the discussion about redesigning product detail pages for all device types and mobile. The mobile site needed to reflect our app.”

- **Stefanie Lambert, formerly Ecommerce Conversion Rate Optimization and Tagging Lead, Express**

“In the last two years we’ve redesigned our adaptive experience, mobile experience.”

- **Mike Molitor, SVP Ecommerce, Kohl’s**

It’s important to note that a site being “stale” is not stating a data-based business or customer problem. As such, the goal to “unstale” a site may be difficult to measure objectively. And that, in turn, may make the reasoning behind a redesign process feel subjective or ambiguous to the organization.

There also seemed to be a disconnect between the actual reasons that prompted organizations to embark on a redesign versus the purported “best reasons” for a redesign.

Reasons to Embark on a Redesign: Theory vs. Reality

| Top reasons to redesign site | Real reasons they redesigned site |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| While 60% reported negative feedback from customers would be a top reason for a redesign... | ...only 20% reported negative feedback from customers as the real reason for their last redesign. |
| 51% said business rebranding would be a top reason for redesign... | ...but only 18% said rebranding was the real reason for their last redesign. |
| 54% said the need to increase sales or profitability would be a top reason for a redesign... | ...yet only 34% reported sales/profitability was a real reason for a redesign. |

finding #6

Help! The most important capabilities for redesigning are also the most lacking.



75% state that UX research and design is the most critical capability needed for a redesign, with platform integration development ranking a distant second (59%).

However, in their last redesign respondents report UX research and platform integration were also the most lacking capabilities at their disposal, with web analytics coming in third.

finding #7

Biggest Risk: Undefined Goals

What are the biggest fears heading into a redesign? Scope? Budget? Launch date? Lack of financial impact? Nope.

67% selected “vague or undefined goals” as the biggest risk of failure with a site redesign. Despite this risk, 36% of respondents admitted to not having defined and measurable quantitative goals for their last redesign, and nearly half (47%) didn’t set any qualitative goals.



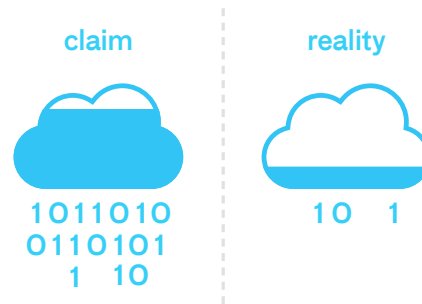
“I’ve been in redesigns at other companies where those focal points weren’t defined. And the redesign goes off the rails.”

- Steve Brita, SVP Marketing, WWE

finding #8

How do we ensure success in redesign decisions? We use some data, but typically do what *they* did.

85% report they collect analytics and customer data leading into a redesign, but interviews and other data suggest methods and rigor varied.



- Only half (52%) of digital professionals test prototypes or wireframes with real customers.
- 39% do not define testable success metrics for design or technology solutions.
- Remember what we said about the big bang reveal? 58% of respondents skip the gradual rolling out of a redesign to ensure success.

To what extent did the team use data to validate decisions? On a scale of 1-10, managers report in at 5.5, while executives report in at a 7 (28% difference).

From interviews we learned that many professionals turn to best practices and executive experience to decide what to do.

“How to determine the best ideas? Start with a comprehensive library and then decide which ones are the best. A lot of the decisions start with competitive patterning. Where do others have cool things where you wish you had that.”

- Mike Molitor, SVP Ecommerce, Kohl's

“We did a complete redesign based on best practices. Then we started doing user testing and review cycles. We'll look at an organization that cares about design and has the resources for testing. We look for patterns and commonalities. Then we try and incorporate these learnings in our design.”

- Mike Molitor, SVP Ecommerce, Kohl's

“The way the process worked was we did competitive benchmarking and documented best practices.”

- Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop

“We paid for an auditor to go through our web site and baseline us to others using a heuristic approach. We found it good for understanding best practices for the stuff that every ecommerce site has to have. I thought I knew all the best practices but there were things I wasn’t aware of.”

- Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John

finding #8

Why do we emulate? We lack the people or time to validate decisions.

It’s no secret that many organizations are attempting to do more with less, and this was heard loud and clear in our survey results. When respondents weren’t able to use data to validate assumptions going into a redesign, the primary reason was lack of resources (55%), followed by a lack of time (31%).

When you haven’t used data to validate your assumptions during a redesign, what were the primary reasons?

| | executives | managers | all |
|------------------------------------------|------------|----------|-----|
| Didn't have the resources | 52% | 62% | 55% |
| It takes too much time | 36% | 31% | 31% |
| It is too complicated | 29% | 14% | 17% |
| It costs too much money | 21% | 14% | 16% |
| Not sure how to do it | 19% | 12% | 12% |
| Always used data to validate assumptions | 10% | 13% | 12% |
| Other | 7% | 10% | 11% |

“We thought we knew what customers wanted to hear about our products, but it was hard to make decisions about priority. Lots of back and forth on comps.”

- Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John

“We did some heuristic testing but nothing quantitative.”

- Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop

“The biggest fallacy that I tell people is we all know this and some things are intuitive to us, but not to the Kohl’s shopper. Ideally you find out up front. Inevitably you find out afterwards. I’m pushing to make this more regimented. There are times we’ve launched without testing to hit a date. We become the riverboat gambler, hoping the good will outweigh the bad of not testing.”

- Mike Molitor, SVP Ecommerce, Kohl’s

“We’re doing things now that are more intuition. Our next step will be to add an A/B testing platform and formalize the process.”

- David Cost, VP Ecommerce and Digital Marketing, Rainbow Apparel

finding #10

We’re extremely optimistic of our success! But that can be measured many ways...

Prior to launch, 84% were confident that their upcoming redesign was going to be successful. Executives were even more confident (93%) than the average.



84%

were confident that their upcoming redesign was going to be successful.

“We had a good idea about desktop and mobile -- how effective we were getting people down the funnel. We kept those learnings in redesign. We have great conversion rates due to marketing (people sold on the product)...we just had to not screw it up. Going into the redesign we didn't feel we had major issues, just, 'How do we improve this? How do we get better at selling this brand?'”

- Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John

And 79% say they were actually successful post-launch. Based on the survey results it seems like we've got a pretty good grip on this redesign thing. Right? What are we missing?

It appears our goals were vague. Our in-depth interviews suggest that when it comes to redesigns, “success” was perceived in broad ways and measured over time:

“I think launching a new website is like buying a new Ferrari. Unfortunately, when you first buy a Ferrari, you're driving it around 40 mph. You know it can go faster, but you can't get it to go fast right away because it's not tuned up. Overtime, you are able to tune up your Ferrari, like your website, and then, you can race it to 120 mph and over. However, the task of getting the Ferrari or your website up to speed--it takes some time and money for optimizing it.”

- Matt Kritzer, VP Ecommerce and Online Marketing, Tommy John

“Generally it performed well. There weren't any major red flags. Once things were stable there didn't seem to be a large dip in conversion. Qualitatively the brand was perceived differently. Possibly more traffic. A lot of changes happened in first 6 months of replatform.”

- Todd Ames, Senior Manager Digital Innovation, adidas

“All in all we had a small dip in conversion when we first rolled it out. The majority of our customers visited the site frequently, so even minor changes had an initial negative impact as our customers were comfortable with the previous design. But we quickly rebounded and drove significant improvements. Up 25% YOY.”

- Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop

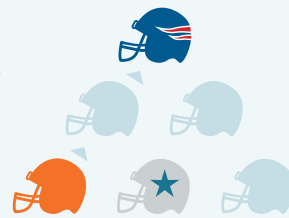
Less than half of redesigns (41%) were extremely successful at launching within budget and only a quarter of redesigns (25%) launched on time.

Nine Principles of Future Redesigns

The next era of redesigns may prove more difficult.

Many respondents we studied and talked to about their last redesign reported their sites had mobile experiences and UX issues that were so bad, they were confident that their judgement or best practices would lead them to a better site. They also agreed for their next redesign, they'll need to test assumptions more stringently to get the next level of performance.

"Now the bar is higher. We were like the Cleveland Browns and made it to the Dallas Cowboys. We're in the game now. We're not yet the New England Patriots. Getting the rest of the way to the Superbowl of retailers is a harder path."



- Shawn Freeman, formerly SVP Global Digital Technology and Operations, Ralph Lauren and SVP and GM Digital Business, GameStop

Further, the measurable success of the last redesign may be a function of vague expectations and qualitative goals rather than clearly defined goals and financial measurement. Only 34% said the reason for a redesign was to improve sales or profitability. And the number one actual reason for doing their last redesign was the site was "stale".

Based on the research, interviews and our experience, we hypothesize the following factors will likely raise the bar for expectations of future redesigns:

- Flattening of organic ecommerce growth
- Increased competition (especially from Amazon)
- Maturing of the mobile channel experience
- Greater availability of precise performance data
- Higher customer expectations due to the ubiquity of sophisticated UX

For the above reasons, we believe the redesigns of the future will feel different. What will or should the next wave look like?

1. More iterative redesign approach.

A big-bang redesign creates risk and ambiguity. The risk is in making many decisions that go into one launch, lowering the opportunity to validate each with customer feedback and data before launch. Second, performance ambiguity is created because it's difficult to deconstruct what worked and what didn't after an all-in-one launch.

In contrast, we may see a broadening of the definition of “redesigns” in the future, evolving to include an increasingly popular iterative approach to validating priorities and UX decisions, testing, launching, and repeating that process for different parts of the site. This modern approach will allow each phase to have more confidence coming in and more data coming out on the impact.

2. Stronger UX research to validate assumptions and solutions

Hand-in-hand with an iterative redesign approach is an increasing capability to validate performance of UX decisions prior to launch. This can be done through wireframe testing (online or in person) or A/B testing a new UX. While we can look to UX “best practices” as a hypothesis to a customer problem, there will be increased appetite to test the impact of a best practice in a different business and customer context.

3. Increasingly specific definitions of “success”

With higher customer expectations, competition and slim margins, there is high pressure to drive profitable growth. At the same time, this is one of the biggest digital investments a company can make. We expect it to increasingly be asked “did it work?” and “was it worth it?” and for executives and participants to be required to answer clearly against the definition. We expect to see more definitions of success being tied to financial results. But moreover, we also expect to see the definition of success clarified and communicated more broadly as redesigns take an iterative approach and digital teams cross omnichannel boundaries.

4. Clearly defined baselines, targets and time bases for goal & KPI improvement

As the success metrics of an increasing number of iterative redesigns get more defined, it will also be possible to get more detailed measures of performance improvement. In each phase, the performance of decisions and return on investments will be forecasted and targets set for improvements in conversion, average order value and other KPIs. As such, executives will be able to build more confidence in the results of their “change the business” activities.

5. More analytics & research resources to identify problems & validate solutions throughout the redesign process.

75% of respondents chose UX research and design as a critical capability going into a redesign, and it was also reported as the most lacking capability. If we agree future redesigns will require even higher confidence for performance, we anticipate a shift of budget and resources to increase the understanding of the key customer experience problems and how to solve them with higher confidence.

6. Clear definitions of key segments the site needs to serve (and clear hypotheses for serving those specific segments.)

If the last redesigns were largely about mobile UX improvements, we believe future redesigns will be made with personalization in mind. There is as much appetite as there is ambiguity around personalizing content and experiences for key customer segments based on referral source, prior purchases, customer value, preferences, and more. Defining the opportunities based on segments will be a key factor in UX and technology decisions in the next redesign. Further, organizations will take a more “service” based approach to features and experiences, leveraging APIs, data layers & algorithms more to drive the experiences versus features and widgets.

7. Greater understanding of “mobility” and “omni-channel” behavior and recognition of key use cases for adaptive experiences.

While many recent redesigns focused on creating an adaptive, mobile experience, the next redesign will benefit from understanding how visitors are using the new the mobile experience. As a result, we will further optimize experiences and ability to accomplish tasks between devices. In other words, our focus will turn from simply creating a usable mobile experience to optimizing for mobile-first, mobile-dependent, and omni-channel interactions (ex: in store browsing, matching mobile web to app, increasing sign-ups and sign-ins, etc.).

8. Increased pressure for measurable improvements immediately at re-launch (as opposed to generous “bake in” periods)

After a ‘change-the-business’ big-bang redesign a performance drop is often expected due to the user experience disruption. Iterative redesigns are essentially a merging of run-the-business versus. change-the-business work streams. As such, each phase of an iterative redesign will be expected to have immediate benefits, building up to an overall benefit of an iteratively-redesigned site.

9. A desire to reduce the “cost to serve” websites, wherein many manual, time consuming site sections & activities will be called into question.

Given the growth of digital teams over the past years, mature organizations will consider the effort to maintain a site as an important factor to their redesign decisions. There will be higher consideration of UX and designs that facilitate automated personalization and API-driven content.

As our survey revealed, site redesigns--from the reason they begin to the end goals they serve to the very definition itself--are rapidly evolving. Many organizations have difficulty defining their goals and success, and many are gaining inspiration from past experience or the outside.

Going forward, with the advent of technology, data, and a more focused spotlight on UX, daring brands can engage ‘change the business’ redesigns changes with ‘run the business’ confidence.

We hope this small peek into the world of your peers brings you a bit of confidence as you begin the journey to your next redesign--whatever your definition of the word may be.

Hungry for more? Check out these articles from the founders at Clearhead:

[A Call to Arms for Data-Driven Redesigns](#)

[Problem and Solution Mapping: A Primer for Your Digital Dial Tone](#)

[4 Steps to Create a Test Before Invest Digital Innovation Plan](#)

[Mythbusting the Magic Science of Optimization](#)

About Clearhead

Clearhead is the leading digital optimization company. An award-winning agency and consultancy, we help iconic brands and entrepreneurial leaders build better customer experiences and transform their business through data.

Headquartered in Austin, TX, Clearhead was founded in 2012 by former ecommerce executives obsessed with the intersection of design, analytics and product innovation. Today, we provide user experience design, product development, analytics and strategic consulting solutions grounded in pioneering testing and personalization expertise.

Our diverse roster of clients includes adidas, CVS, Express, Patagonia, Tesco, Tory Burch, Ulta, Vitamix and Whole Foods.

To learn more, visit www.clearhead.me